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RECORDATION NO. 16689 E
FILED 1425

MAR 9 1990 -12 15 PM

INTERSTATE COMMERCE COMMISSION

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INTERSTATE COMMERCE COMMISSION

SKADDEN, ARPS, SLATE
MEAGHER & FLOM
333 WEST WACKER
CHICAGO, ILL. 60606

March 8, 1990

Honorable Noretta R. McGee
Secretary
Interstate Commerce Commission
Washington, D.C. 20423

\$30.00

- Re: (1) First Amendment To Lease Supplement
No. 1 - D
(2) First Amendment To Security Agreement
and Trust Indenture Supplement No. 1 - E

Dear Ms. McGee:

On behalf of Itel Rail Corporation, the above instruments, in two (2) counterparts each, are hereby submitted for filing and recording pursuant to 49 U.S.C. Section 11303(a), along with the \$30 recordation fee.

The Equipment Lease Agreement (the "Equipment Lease Agreement") dated as of December 14, 1989, relating to Itel Rail Trust No. 89-7, has been previously recorded under recordation number 16689.

The parties to the Equipment Lease Agreement are listed below:

First Security Bank of Utah, N.A.,
as Owner Trustee under
Itel Rail Trust No. 89-7
(Lessor)
79 South Main Street
Salt Lake City, Utah 84111

Itel Rail Corporation (Lessee)
55 Francisco Street
San Francisco, California 94133

C. C. Harrison

Honorable Noreta R. McGee
March 8, 1990
Page Two

The Equipment Lease Agreement sets forth the terms upon which the Lessor will lease to Lessee certain railroad rolling stock to be identified in lease supplements thereto, and First Amendment To Lease Supplement No. 1 (as defined below) recorded herewith covers such railroad rolling stock now leased.

D The First Amendment To Lease Supplement No. 1 ("First Amendment To Lease Supplement No. 1") dated as of December 28, 1989 should be recorded as -D of the same recordation number as the Equipment Lease Agreement.

The parties to the First Amendment To Lease Supplement No. 1 are the same as in the Equipment Lease Agreement, and the First Amendment To Lease Supplement No. 1, among other things, identifies the railroad rolling stock covered by the Equipment Lease Agreement.

The Security Agreement and Trust Indenture (the "Security Agreement and Trust Indenture") dated as of December 14, 1989 has been previously recorded as -B of recordation number 16689.

The parties to the Security Agreement and Trust Indenture are as follows:

First Security Bank of Utah, N.A.
as Owner Trustee under
Itel Rail Trust No. 89-7
(Owner Trustee)/"Assignor"
79 South Main Street
Salt Lake City, Utah 84111

Continental Bank, National Association
as Indenture Trustee
(Indenture Trustee)/"Assignee"
231 South LaSalle Street, 7th Floor
Chicago, Illinois 60697

The Security Agreement and Trust Indenture provides for a grant by the Owner Trustee to the Indenture Trustee of a security interest in the railroad rolling stock described in any Indenture Supplement thereto, and for an assignment by the Owner Trustee to the Inden-

Honorable Noretta R. McGee
March 8, 1990
Page Three

ture Trustee of the rights of the Owner Trustee under the Equipment Lease Agreement.

E The First Amendment To Security Agreement and Trust Indenture Supplement No. 1 ("First Amendment To Indenture Supplement No. 1") dated as of December 28, 1989 should be recorded as -E of recordation number 16689.

The parties to the First Amendment To Indenture Supplement No. 1 are the same as in the Security Agreement and Trust Indenture.

The First Amendment To Indenture Supplement No. 1 lists and describes the railroad rolling stock subject to Lease Supplement No. 1, as amended, which Lease Supplement No. 1 has been assigned by the Owner Trustee/Assignor to the Indenture Trustee/Assignee pursuant to the Security Agreement and Trust Indenture.


The railroad rolling stock covered by the documents, as listed above, is identified in the schedules to the First Amendment To Lease Supplement No. 1, a copy of which schedule is attached to this letter.

A short summary of the documents to appear in the ICC Index is as follows:

"Covers Railcars."

Once the filings have been made, please return to the undersigned the stamped counterparts of the First Amendment To Lease Supplement No. 1 and the First Amendment To Indenture Supplement No. 1 not required for filing purposes, together with the ICC fee receipt and the letter from the ICC acknowledging the filings.

Very truly yours,


LYNN M. MCGOVERN

-E
RECORDATION NO. 16689-E
MAR 9 1990 - 12 15 PM
INTERSTATE COMMERCE COMMISSION

FIRST AMENDMENT TO SECURITY AGREEMENT AND
TRUST INDENTURE SUPPLEMENT NO. 1

FIRST AMENDMENT dated as of December 28, 1989 (the "First Amendment") between FIRST SECURITY BANK OF UTAH, N.A., a national banking association, not individual but solely as Owner Trustee (the "Owner Trustee") under IteL Rail Trust No. 89-7, and CONTINENTAL BANK, NATIONAL ASSOCIATION, a national banking association (the "Indenture Trustee"), to the Security Agreement and Trust Indenture Supplement No. 1 dated December 28, 1989 (the "Indenture Supplement") between the Owner Trustee and the Indenture Trustee.

A. Terms not otherwise defined herein have the respective meanings assigned thereto in the Indenture Supplement.

B. The Owner Trustee and the Indenture Trustee have executed and delivered the Indenture Supplement providing for the granting of a security interest in certain Equipment covered by such Indenture Supplement.

C. The Owner Trustee and the Indenture Trustee now desire to amend the Indenture Supplement in the respects, and only in the respects, hereinafter set forth.

NOW, THEREFORE, in consideration of the premises and other good and sufficient consideration, the Owner Trustee and the Indenture Trustee hereby agree as follows:

Section 1.1. Amendment to Indenture Supplement. The Indenture Supplement is hereby amended by deleting Schedule 1 attached thereto in its entirety and substituting therefor Schedule 1 attached hereto.

Section 1.2. Construction of this First Amendment. This First Amendment shall be construed in connection with and as part of the Indenture and the Indenture Supplement and all terms, conditions and covenants contained in the Indenture and the Indenture Supplement, except as herein modified, shall be and remain in full force and effect.

Section 1.3. Reference to this First Amendment. Any and all notices, requests, certificates and other instruments executed and delivered after the execution and delivery of this First Amendment may refer to the "Security Agreement and Trust Indenture Supplement No. 1 dated December 28, 1989" or the "Indenture Supplement" without making specific reference to this First Amendment, but nevertheless all such references shall be deemed to include this First Amendment unless the context shall otherwise require.

Section 1.4. Counterparts. This First Amendment may be executed and delivered in any number of counterparts, each of such counterparts constituting an original but all together only one First Amendment.

Section 1.5. Governing Law. This First Amendment shall be construed in accordance with and governed by the internal laws and decisions (as opposed to conflict of law provisions) of the State of New York.

Section 1.6. Headings. Any headings or captions preceding the text of the several sections hereof are intended solely for convenience of reference and shall not constitute a part of this First Amendment nor shall they affect its meaning, construction or effect.

IN WITNESS WHEREOF, the Owner Trustee, and the Indenture Trustee have caused this First Amendment to be duly executed and delivered on the day and year first above written.

FIRST SECURITY BANK OF UTAH, N.A.,
not individually but solely as
Owner Trustee under IteI Rail
Trust No. 89-7

By Val J. Olt
Its: CORPORATE TRUST COUNSEL

AS OWNER TRUSTEE

CONTINENTAL BANK, NATIONAL ASSOCIATION

By _____
Its: _____

AS INDENTURE TRUSTEE

Section 1.6. Headings. Any headings or captions preceding the text of the several sections hereof are intended solely for convenience of reference and shall not constitute a part of this First Amendment nor shall they affect its meaning, construction or effect.

IN WITNESS WHEREOF, the Owner Trustee, and the Indenture Trustee have caused this First Amendment to be duly executed and delivered on the day and year first above written.

FIRST SECURITY BANK OF UTAH, N.A.,
not individually but solely as
Owner Trustee under IteI Rail
Trust No. 89-7

By _____
Its: _____

AS OWNER TRUSTEE

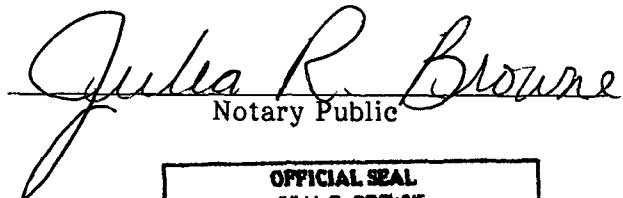
CONTINENTAL BANK, NATIONAL ASSOCIATION

By 
Its: _____ VICE PRESIDENT

AS INDENTURE TRUSTEE

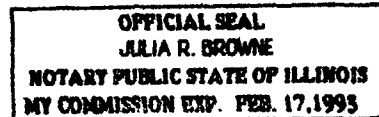
STATE of ILLINOIS)
) SS
COUNTY OF COOK)

On this 27th day of February, 1990, before me personally appeared VAL T. ORTON, to me personally known, who being by me duly sworn, says that he is an ASSISTANT VICE PRESIDENT of FIRST SECURITY BANK OF UTAH, N.A., that said instrument was signed and sealed on February 27, 1990 on behalf of said corporation by authority of its Board of Directors; and he acknowledged that the execution of the foregoing instrument was the free act and deed of said corporation.


Notary Public

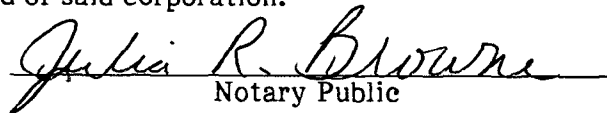
(SEAL)

My commission expires:



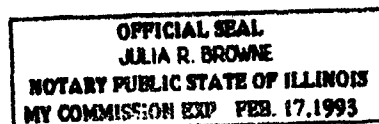
STATE OF ILLINOIS)
) SS
COUNTY OF COOK)

On this 27th day of February, 1990, before me personally appeared ROBERT S. CLARK, to me personally known, who being by me duly sworn, says that he is a VICE PRESIDENT of CONTINENTAL BANK, NATIONAL ASSOCIATION, that said instrument was signed and sealed on February 27, 1990 on behalf of said corporation by authority of its Board of Directors; and he acknowledged that the execution of the foregoing instrument was the free act and deed of said corporation.


Notary Public

(SEAL)

My commission expires:



SCHEDULE 1

Re: Itel Rail Trust No. 89-7

Used Railcars

<u>Number of Units</u>	<u>Size of Equipment</u>	<u>Manufacturer</u>	<u>Reporting Marks</u>
3	70 TON, 50 FOOT, PLATE C BOXCAR		CSXT 135785, 135787, 135794
31	70 TON, 50 FOOT, PLATE C BOXCAR		CSXT 135791, 135798-799, 135810, 135829, 135847, CSXT 135896, 135958-959, 135961-965, 135967, CSXT 135969- 971, 135973- 974, 135979- 981, 135983, 135985, CSXT 135987- 989, 135991- 993
13	70 TON, 50 FOOT, PLATE C BOXCAR		ETRY 000102- 114
6	70 TON, 50 FOOT, PLATE C BOXCAR		SED 135821, 135824, 135832, 135834, 135845, 135863
5	4780 CUBIC FOOT COVERED HOPPER		FRDN 003017, 026820-821, 026826- 026827

<u>Number of Units</u>	<u>Size of Equipment</u>	<u>Manufacturer</u>	<u>Reporting Marks</u>
12	4780 CUBIC FOOT COVERED HOPPER		USLX 020400- 020411
1	4780 CUBIC FOOT COVERED HOPPER		FRDN 026822
1	4780 CUBIC FOOT COVERED HOPPER		CAGY 000659
2	5750 CUBIC FOOT COVERED HOPPER		ERLX 006196, 006198
37	100 TON GONDOLA		CSS 041052- 053, 041061, 041066, 041072, 041075, CSS 041078- 079, 041082- 084, 041086, 041089, 041093, CSS 041095- 096, 041098, 041195, 041197-200, NSR 130360- 371, 130373- 375